

VZCZCXR07332  
PP RUEHLMC  
DE RUEHLP #0611/01 0772157  
ZNY CCCCC ZZH  
P 172157Z MAR 08  
FM AMEMBASSY LA PAZ  
TO RUEHC/SECSTATE WASHDC PRIORITY 6863  
INFO RUEHAC/AMEMBASSY ASUNCION 7716  
RUEHBO/AMEMBASSY BOGOTA 5072  
RUEHBR/AMEMBASSY BRASILIA 8984  
RUEHBU/AMEMBASSY BUENOS AIRES 6205  
RUEHCV/AMEMBASSY CARACAS 3417  
RUEHG/AMEMBASSY GEORGETOWN 0647  
RUEHPE/AMEMBASSY LIMA 3638  
RUEHMD/AMEMBASSY MADRID 3933  
RUEHMN/AMEMBASSY MONTEVIDEO 5333  
RUEHPO/AMEMBASSY PARAMARIBO 0327  
RUEHQ/AMEMBASSY QUITO 6040  
RUEHSG/AMEMBASSY SANTIAGO 0673  
RUEHRI/AMCONSUL RIO DE JANEIRO 0987  
RUEHSO/AMCONSUL SAO PAULO 2202  
RUEAIIA/CIA WASHINGTON DC  
RUEHBS/USEU BRUSSELS  
RUEKJCS/SECDEF WASHINGTON DC  
RUEHUB/USINT HAVANA 0999  
RHMFISS/HQ USSOUTHCOM MIAMI FL  
RUMIAAA/USCINCSO MIAMI FL  
RUEHLMC/MILLENNIUM CHALLENGE CORP  
RHEHNSC/NSC WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 02 LA PAZ 000611

SIPDIS

SIPDIS

E.O. 12958: DECL: 03/15/2018

TAGS: ASEC BL PGOV PHUM PINR PREL

SUBJECT: SANTA CRUZ TO EVO: DIALOGUE AFTER MAY 4 VOTE

REF: A. LA PAZ 561

1B. LA PAZ 560

Classified By: Acting EcoPol Chief Brian Quigley for reasons 1.4 (b),(d).  
-----

SUMMARY

11. (C) Santa Cruz leaders are determined to hold their autonomy referendum on May 4. At the same time the Morales' government is trying to stop the referendum. Evo's latest offer to have the Catholic Church facilitate a dialogue is taken with skepticism and the reply "call us on May 5th." Autonomy leaders are taking pains to stay within the law and worry what other tactics the Government of Bolivia may try to use to prevent the vote. End summary.

-----  
NO ONE CAN STOP THIS, NOT EVEN US  
-----

12. (C) Emboff met with noted Bolivian jurist and principal author of the Santa Cruz Autonomy Statute Juan Carlos Urenda. Urenda said that the momentum is such in Santa Cruz that even if Governor Ruben Costas and other leaders tried to call off the referendum they couldn't. "Costas would be knocked out office if he tries to postpone the vote." Urenda noted that over 300,000 signatures had been collected in the referendum drive. When asked about the February 29 laws passed designating Congress as the only body able to call referendums, Urenda explained that the laws are not retroactive and do not apply to referendums already legally convoked (Reftel A). "This is why Evo and his government are so frustrated," according to Urenda, "they can't come and arrest Costas or any of us because everything we have done is legal."

-----  
WHAT MAY COME NEXT  
-----

¶3. (C) Urenda dismissed President Morales' offer to come back to the dialogue table with observers present, saying "call us on May 5." Urenda feels Evo is becoming more and more desperate and worries what steps he make take to stop the referendum. "There is no trust whatsoever in Evo Morales or any of his ministers. Nor do we view OAS SecGen Insulza as a legitimate mediator after his disastrous trip to Bolivia." Urenda and others want to have the autonomy vote first and then negotiate "a national pact" with Evo. "There needs to be an overlapping consensus between the states and national government. Eventually all nine states should have their own autonomy. Bolivia should adopt a system just short of federalism. That is the only way to keep this country together," according to Urenda.

-----  
CONCERN AND DETERMINATION  
-----

¶4. (C) Santa Cruz Civic Committee Director of Communications Juan Manuel Arias is opposed to any further negotiations with the Morales government until after the autonomy vote. "We (the regional opposition) have been burned for more than 24 months now by Evo and his lies. We'll talk about pacts and autonomy for all the departments after May 4." Arias stressed that Santa Cruz autonomy will

LA PAZ 00000611 002 OF 002

stay within the legal boundaries: "We will send all national tax revenue to La Paz as stipulated by national law, however, with autonomy we will be able to create our own revenue stream, something this government does not want." While Arias and others are emboldened by Evo's recent failures to stop the referendum vote, there is concern about what actions Morales may take. "We are concerned that Evo may close congress and the courts and stage an auto-coup." Arias compared Bolivia to a stick of dynamite: "the fuse is lit but just how long of a fuse it is no one knows."

-----  
AUTONOMY YES, MAS CONSTITUTION NO  
-----

¶5. Constituent Assemblyman and sugar refinery owner Kiko Aguilera told Emboff that the rural province of Obispos Santo Esteban that he represents overwhelming supports departmental autonomy and is against the MAS drafted constitution. This he claims, is even with seventy-five percent of his district's population being high-land altiplano immigrants. "People blame the Morales government for their extreme poverty. It does not matter if they are indigenous, inflation is color blind." As far as the MAS drafted constitution, Aguilera sees two paths, or Evo agrees to re-write the draft or it gets shelved and dies.

-----  
COMMENT  
-----

¶6. (C) There is every indication that Santa Cruz will hold its autonomy referendum vote on May 4, even if the Catholic Church facilitates a dialogue between Evo and the regional opposition. (Note: Newly elected Santa Cruz Chamber of Commerce President Eduardo Paz told Ambassador on March 17 that the prefects may sit down at the table before May 4 but the autonomy vote will take place as scheduled. End Note.) If the autonomy referendum vote materializes, Bolivians will wake up to an entirely different political landscape on May ¶5. End comment.

GOLDBERG